



Solicitation of Offers

**HOWARD THEATRE
620 T Street, NW
Washington, DC 20001
Square 0441 Lot 0090**

**Stanley Jackson
Deputy Mayor for Planning and Economic Development
Office of the Deputy Mayor for Planning and Economic Development
1350 Pennsylvania Avenue
Suite 317
Washington, D.C. 20004**

The Government of the District of Columbia, acting by and through the Office of the Deputy Mayor for Planning and Economic Development (“District” or “ODMPED”) hereby solicits offers from real estate developers with expertise on a national and local level in constructing and operating music and entertainment facilities for the long-term lease of the Howard Theatre, located at 620 T Street NW, Washington, DC; Square 0041, Lot 0090 (the “Property”). This solicitation is administered by the Office of the Deputy Mayor for Planning and Economic Development as part of Mayor Anthony A. Williams’ “Great Streets Initiative,” which is designed to facilitate and realize quality investments along select major corridors within the District of Columbia.

I. Introduction

A. Historical Context

The Howard Theatre was the nation’s first full-sized theater for African-American audiences and entertainers. Designed by J. Edward Stock and opened in 1910, the 1,200 seat theater was a prominent performing arts center in one of Washington, DC’s African-American neighborhood and entertainment districts. From its inception, the Howard Theatre stood out as a critical stop on the “Chitlin Circuit”—a series of formal and informal theaters and music venues nationwide where luminary artists like Count Basie, Duke Ellington, Charlie Parker, Lena Horne, Billy Eckstein, Diana Ross and others performed.

The Howard Theatre was originally constructed as a variety hall with vaudeville as its mainstay, but it also hosted musicals, stock company productions, circuses, local variety programs and community events and movies. Beginning in 1911, the Howard Theatre regularly showed several short films on Sundays. Built at the start of the motion picture era, the Howard Theatre succeeded in coexisting with the subsequently-established early movie theaters and may well have set a precedent for movie palace architecture in Washington, DC.

The success of the Howard Theatre spearheaded a long period of economic development in the 7th Street NW and U Street areas. Twelve years after the Howard Theatre opened, the Lincoln Theatre and Lincoln Colonnade Ballroom opened on March 3, 1922. Like the Howard, the Lincoln Theatre enjoyed the rare distinction of being a full-sized theater constructed specifically for the African-American community. With these two theaters, Washington became the epicenter for African-American cultural arts nationwide, and U Street became known as the “Black Broadway.” Just as the Lincoln and Howard Theatres once generated a synergy that provided the catalyst for the “Black Broadway,” the District desires to re-establish programming at the Howard Theatre that will foster and enlarge the cultural, retail and entertainment offerings provided by these important landmarks.

In the 1920’s the economic impact of African-American theater was obvious. Because of the success of the two theaters, Washington became the national headquarters of the African-American entertainment industry. Shows were developed at 7th and T Streets

and then sent to various regions of the country. At that same time, U Street blossomed into a center of thriving business activity. Banks, insurance companies, newspapers, private schools and professional offices competed with small neighborhood businesses for space on this busy thoroughfare. The pull of the Howard and Lincoln Theatres also played an essential role in fostering the economic vitality in this area. The popularity of these two theaters brought several thousand theatergoers into the area daily and nightly. Local businesses benefited from their proximity to these neighborhood anchors until the stock-market crashed in 1929 and the Howard Theatre closed.

The Howard Theatre re-opened in 1931, with Washington's native son—Edward Kennedy “Duke” Ellington—performing for the reopening gala and continued to thrive through the 50s and the 60s presenting locally, nationally and internationally known performers such as Cab Calloway, Sarah Vaughan, Louis Armstrong, Marvin Gaye, and the Temptations. Ella Fitzgerald was discovered at an amateur night performance at the Howard Theatre. Neighborhood changes in the 1970s led again to the Howard Theatre's closure.

Because of its historical importance, the Howard Theatre was listed on the National Register of Historic Places in 1975. Around this same time, the District of Columbia purchased the theater.

Today, the Howard Theatre is remembered as a “music house” and an important home to legendary accomplishments by many acclaimed and diverse cultural and musical artists whose impact was worldwide. The District's vision is to reposition the Howard Theatre as not only an icon of past achievements, but also as a competitive, self-sufficient and contemporary venue for launching future generations of musical and cultural talent and for showcasing today's most celebrated artists.

B. Neighborhood Context

The Howard Theatre is located in Ward One within the Cardozo/Shaw and LeDroit Park neighborhoods in the District's Northwest quadrant. These neighborhoods possess a rich cultural heritage and are highly valued due to their central proximity and ease of access. The Howard Theatre is treasured by generations of families throughout the District, the region and the nation, not just by those families in its immediate neighborhood.

Only minutes north of the central business district and the relatively new \$800 million Washington, DC Convention Center, the neighborhoods' historic architectural character is attracting a variety of new stakeholders who, in some cases, do not understand the far reaching and profound significance of the area's cultural heritage and its numerous physical landmarks, especially the Howard Theatre. Many long-term and existing residents are gravely concerned about the loss of cultural identity for the neighborhoods and its landmarks and are working to educate future generations and newcomers continually.

In its heyday, the neighborhoods were largely African-American with a mix of incomes and classes. Today, the surrounding neighborhoods are mixed socially, economically and culturally and include a growing number of homeowners. Incomes vary across a wide spectrum. Area households are a mix of families, singles and seniors. Residents and merchants are organized through several active organizations, including Advisory Neighborhood Commissions, the MidCity Business Association, the Shaw Main Street district, civic associations and faith-based organizations.

Private sector development in these areas has transformed the neighborhoods into some of the most sought after investment areas within the Washington D.C. metropolitan region. Most of that development is maximizing adjacency or proximity to the Shaw Howard University and U Street / African American Civil War Memorial / Cardozo Metro stations.

The District's "DUKE: Development Framework for a Cultural Destination District within Washington, DC's Greater Shaw / U Street" outlines a series of development opportunities that would further enhance and support the operating abilities of a revived Howard Theatre. The "DUKE: Development Framework" can be found through www.greatstreets.dc.gov or on the Office of Planning website at www.planning.dc.gov under "Neighborhood and Revitalization Plans" under the "Ward 1" link.

The "DUKE: Development Framework" was officially approved by Council of the District of Columbia on June 21, 2005. This planning document is serving as guidance to the National Capital Revitalization Corporation (NCRC), Washington Metropolitan Area Transit Authority (WMATA), District of Columbia Housing Finance Agency (HFA), all of which own property in the area, and other private and public land owners about development opportunities and preferred program targets within the Shaw Howard University metro area. NCRC has entered the negotiation phase with Broadcast Center Partners LLC to relocate the corporate headquarters of the national media outlets Radio One and TV One to Square 0441, within feet of the Howard Theatre. The Broadcast Center project is expected to contain over 75,000 square feet of office space; up to 25,000 square feet of new retail; over 200 residences; and up to 250 below grade parking spaces. The District anticipates a shared parking arrangement for a portion or all of the parking required for the Howard Theatre on the NCRC site. The Housing Finance Agency Board has authorized agency staff to begin negotiations of a purchase and sale agreement for its site with a private development team. WMATA owns three parcels along Florida Avenue and has issued a Joint Development Solicitation to find private or not-for-profit development partners. Numerous private parcels are slated for development. Information about 7th Street / Lower Georgia Avenue NW development activity can be found at www.greatstreets.dc.gov.

II. Competitive Market & General Program Requirements

A. Market Analysis

The strong cultural history of the neighborhood surrounding the Property as the “Black Broadway” offers many opportunities for revitalization of this district as a destination point for night-life, entertainment and local culture. The “DUKE: Development Framework” will lead to the re-establishment of “a string of pearls” in which the Lincoln Theatre, Howard Theatre, African American Civil War Memorial, Bohemian Caverns, and other landmarks act as critical destinations supported by extensive retail, housing, office and other uses that serve neighborhood needs. Two other major entertainment anchors will reinforce the district as a destination for tourists and regional residents. Those anchors will be located at the Housing Finance Agency site at 815 Florida Avenue NW (corner of 9th Street and Florida Avenue) and at Howard University’s CVS site at the southwest corner of 7th Street and Florida Avenue NW.

There are currently nine theaters seating over 1,000 people each in the District of Columbia. Five of these theaters (three in the Kennedy Center, one in the National Theater, and one in Constitution Hall) are nationally recognized theaters housing nationally acclaimed touring shows. The renovated Warner and Lincoln Theatres house a mixed venue of touring and local shows. The two other large theaters are located on University campuses and host university-related events and large local events. It is extremely difficult to fill 1,300 seats in the District without a national orientation or a critical mass of community patronage.

The Kennedy Center, National Theater, and Constitution Hall are oriented to the national market and host primarily professional touring companies. These charge significantly more for a ticket than theaters hosting local and regional performing artists. These theaters are not comparable to the Howard Theatre in terms of their location and market orientation. The Howard Theatre is most comparable to the Lisner Auditorium at George Washington University, the Crampton Auditorium at Howard University, the Warner Theater and the Lincoln Theatre. These theaters host a variety of professional and non-professional shows with ticket prices that vary from \$25-\$60. These theaters present shows that are affordable to many District residents.

The predominant performing arts theater size in the District of Columbia is less than 200 seats. These theaters, such as the Studio Theater, Arena Stage, Shakespeare and Woolly Mammoth, showcase new talent and local productions. Often ticket prices to these theaters are lower in cost than the larger theaters, requiring extensive public subsidies to maintain operations.

B. Objectives and Outcomes for Property

The District is seeking to dispose of the Property via along term lease to an Offeror that will satisfy the following policy and programmatic objectives through a redevelopment of the Property:

1. Capitalizes and focuses on the Howard Theatre's historical significance as a major venue for African-American entertainers;
2. Conforms to the Howard Theatre's structural constraints and its designation as a National Historic Landmark that is located within an historic district;
3. Is economically feasible (required investment and financing is met by operating cash flows and little to no public subsidization);
4. Provides a destination point for local residents, tourists and citizens in the Washington Metropolitan area, thereby increasing neighborhood activity and development;
5. Attracts a diverse resident and non-resident audience and plays a prominent role in the community's cultural life;
6. Operates in harmony with the Lincoln Theatre; and
7. Minimizes adverse environmental impact on the surrounding neighborhoods.

The District envisions the Property as a "mixed-use entertainment facility." The Offeror is expected to renovate the building into a 500-600 person live entertainment venue with dining and beverages amenities and a museum or gift shop. The Offeror will also be asked to consider making certain commitments to the local community once the Property is redeveloped, such as making the Property available for local arts and entertainment events and providing discounted ticketing for students and seniors.

The redeveloped facility should meet (or exceed) the following programmatic and use targets:

1. Medium size stage for concerts and solo performances with flexible seating (500-600 person) to enable sit-down or dancing formats;
2. Upscale, full-service food and beverage offerings to meeting ongoing operating revenue needs;
3. Designed to accommodate a broad range of special events;
4. Intermittent programming to celebrate the Theatre's heritage (e.g., annual jazz weekend, summer jazz series, etc.);
5. Restoration of Howard Theatre's facade to approximate its 1910 appearance.

III. Characteristics of the Property

The Howard Theatre is located among two and three-story, small-scaled, brick, commercial and residential structures dating from the late 19th century. A wide sidewalk separates the Howard Theatre from T Street. Though much altered, the Howard Theatre still has an imposing presence on the narrow street of low buildings. Its tall, flat façade is marked only by a small, centered tripartite window. This is the only visible window of the 17 original façade windows now buried beneath decades of alterations. Other prominent façade features are the Howard Theatre sign, entryway and marquee.

The façade is covered with a layer of stucco approximately one-quarter of an inch thick. It has a troweled pattern, sand finish and is painted yellow. The marquee has a framework of steel and wood and is anchored to the wall by four heavy chains. A vertical sign reading “Howard” hangs just above the marquee. The sign and the marquee are in need of repair.

The interior has suffered extensive water damage. The structural columns and supports, however, appear to be sound. There are some questions about the soundness of the balcony framing. All mechanical systems will need to be replaced and modernized for contemporary performances. The bathrooms are too small by modern standards and the plumbing fixtures need to be replaced. Asbestos is present and will have to be removed. In addition, as might be expected with a building of its age, the Howard is not code compliant. Examples include lack of fire protection and alarm system, inadequate egress from a number of areas, inadequate ventilation, insufficient toilet facilities, and lack of access and amenities for disabled individuals.

Basic facts about the Property are:

Property Address:	620 T Street, NW Washington, D.C.
Legal Description:	Square 0441, Lot 0090
Site Area:	12,096 SF
Gross Building Areas	Approximately 18,000 SF
Lot Occupancy:	Approximately 100%
Zoning:	C2B (Community Business Center- medium density) - FAR 3.5; Height limit 65 Feet ARTS (Uptown Arts Overlay)
Historic Designation:	Greater U Street Historic District

Landmark Designation-Exterior of Building

IV. Conditions of Disposition by the District

The District is seeking an offer of purchase for a long-term leasehold estate in the Property, which, if it accepts such offer, will lead to a disposition of a leasehold interest in the Property with a term of at least thirty (30) years. Any offer of purchase must include a commitment to the District to redevelop the Property in accordance with the policy and programmatic objectives of the District described above. Any such commitment will be memorialized in the lease agreement and covenants running with the land.

The District will not accept any offer unless made by a qualified developer with relevant experience in real estate development (or by an entity organized, or comprised in significant part, by a qualified developer), as determined by the District in its sole and absolute discretion.

Any disposition of the Property will be on an “**as-is**” basis, without warranty by the District as to the physical condition of the land or structures thereon. The District makes no representations regarding the character or extent of soil or subsurface conditions or the conditions and existence of utilities that may be encountered during the course of any redevelopment. Each offeror should draw its own conclusions concerning conditions that may affect the methods or cost of redevelopment.

The District will provide access to the Property at scheduled times (pursuant to a written Right of Entry agreement) for the purpose of allowing prospective offerors to inspect the Property and perform such reasonable studies as may be relevant to formulating an offer. Prospective offerors should rely on their own surveys, observations, investigations, measurements, inspections, inspection reports, and conclusions in submitting an offer for the District’s consideration. The District makes no representations or warranties as to any condition of or relating to the Property.

V. Requirements of a Responsive Offer

The District will not consider any offer that is not a “Responsive Offer” within the meaning of this Solicitation. A Responsive Offer must contain the following components (“Required Components”):

- A. Local, Small, Disadvantaged Business Enterprises (LSDBE) Memorandum of Understanding (“MOU”) with the Office of Local Business Development executed by Offeror. Any such MOU must require an LSDBE participation rate of at least 35% of contracting opportunities created by the redevelopment of the Property following the successful

Offeror's acquisition of it. The LSDBE MOU must be signed, by the Offeror only, and included with the submission.

B. First Source Hiring Agreement with the District of Columbia's Department of Employment Services executed by the Offeror. Any such agreement must require that the Offeror will use reasonable efforts to fill 51% of new employment opportunities created by the redevelopment of the Property with District of Columbia residents. The District's Apprenticeship Act shall apply to the Offeror and its team and all of its trade subcontractors shall be required to comply with that act. The legislation requires that 50% of all apprentices should be District residents. The legislation further provides that to the extent the Offeror or any subcontractor fails to use its best efforts to meet this goal, the Offeror or the subcontractor shall be subject to a penalty of 5% of the labor costs associated with the contract. The First Source Agreement must be signed, by the Offeror only, and included with the submission.

C. Development Plan for the Property. Any development plan must incorporate a plan to restore the Property in compliance with all applicable historic preservation laws, regulations, and standards ("District's Historic Preservation Standards") and must reflect the uses set forth in Section 2(b) of this Solicitation.

D. Funding Plan for the Development of the Property. Any funding plan must include a detailed development budget for the proposed development plan and must include proposed sources and uses of funds. A funding plan may not include funds from the District operating or capital budget (unless already appropriated for such purpose on a multi-year basis), nor may it include unidentified federal funding.

E. Marketing Plan for the Operation of the Mixed-Use Facility. The proposed marketing plan must incorporate strategies for advertising, public relations, sales promotions, and merchandising for venue (including pre-opening marketing strategy).

F. Commitment to deposit One Hundred Thousand Dollars (\$100,000) with the District (or an escrow agent selected by the District) upon the execution of a disposition agreement with the District. The deposit shall be in the form of a letter of credit substantially in the form attached hereto as Exhibit A. Offeror must provide a written statement committing themselves to the deposit in their submission.

In addition to the above Required Components of a Responsive Offer, please see Section IX for further instruction and information that must be submitted with any Responsive Offer.

VI. Consideration of Responsive Offers -- Preferences

Responsive Offers may be preferred if they contain one or more of the following:

A. Development Plan Preferences:

1. A Development Plan that specifically addresses the re-use of the Property as an historic building, is consistent with the nearby historic structures, and plans for uses that will stabilize and enhance the neighborhood as a destination for local residents and tourists.

2. A Development Plan that incorporates retail, cultural and any other uses that will enable the Property to retain its historic role as a community landmark and entertainment venue in the District while making the Property accessible to the broader public. The District is particularly interested in (i) a small retail store; (ii) a small museum (approximately 500 square feet) in the Howard Theatre's lobby and/or dining area to celebrate its rich cultural heritage; and/or (iii) an in-house band of jazz musicians, similar to Preservation Hall's Jazz Band in New Orleans, that would provide nightly entertainment when alternative local and national acts are not playing.

3. A Development Plan that fosters the well-being and safety of the residents of the Cardozo-Shaw, LeDroit Park and U Street neighborhoods. Off-Property benefits not directly related to the Howard Theatre will be given little or no consideration unless there is a specific correlation between the amenity and the satisfaction of an objective of the Hot Spots Initiative (the Administration's initiative to address the causes of crime and neighborhood instability in high crime areas). For more information on the Initiative's objectives, please contact the Office for Neighborhood Services for Ward 1 at (202) 671-0727.

B. Offeror Qualifications/Experience Preferences.

1. Offeror has demonstrated experience developing the preferred land uses, developing historic properties, working on real estate projects in the District and raising capital (both debt and equity) for projects such as that proposed in this Solicitation.

2. Offeror has demonstrated understanding of all laws and regulations pertaining to the operation of an entertainment-oriented mixed-use facility (e.g., DC liquor license and Department of Health).

3. Offeror has demonstrated specific knowledge of music industry that would facilitate the operation of a business that incorporates musical attractions (e.g., relationships with promoters, agents, etc.); and experience in developing, opening, operating, and maintaining live performance music theater venues similar to the type proposed for the Howard Theatre;

4. Offeror has demonstrated qualifications and experience in developing, opening, operating, and maintaining upscale, full-service, food and beverage operations similar to the type proposed for the Howard Theatre.

C. Preferences for High Level of LSDBE Participation and First Source Hiring.

1. Offeror commits to exceed the 35% minimum requirement for LSDBE participation or to exceed the 51% minimum requirement for First Source hiring.

2. Offeror submits a credible plan to provide employment to residents or businesses within the Cardozo-Shaw, LeDroit Park and U Street neighborhoods.

D. Financial Feasibility

Demonstration of sufficient funding easily accessible and ready access to cash or financing will be given preference; reliance on unspecified sources of funds (e.g., fundraising) will not be given preference. Projects with the potential to generate income on-site or with reliable on-going sources of funds in order to be self-sustaining (post-redevelopment) will be given greater preference.

E. Offer Price – Preferences for economic benefits to the District.

Higher rents or purchase price, including revenues, fees and other payments to the District. Other economic factors, resulting either directly or indirectly from the proposed project, will also be considered.

The District reserves the right, in its sole and absolute discretion, to reject all offers and re-advertise at a later date. The District further reserves the right to amend this Solicitation of Offers at any time before it accepts an offer, provided that the District will post any such amendment on the ODMPED website and notify any prospective offerors and existing offerors of such amendment if such persons have provided their name and contact information to ODMPED after the issuance of this Solicitation and prior to the making of such amendment.

VII. Information Required to be submitted with any Responsive Offer:

A. Team Members (collectively, the “Offeror”)

Please provide the following information on each Team Member:

- 1.) The name, address, telephone number, and fax number of each principal, partner, entity, or joint-venture partner participating as the Offeror, and such persons’ roles or titles within the Offeror;

- 2.) The name, address, telephone number, fax number, and e-mail address of the representative authorized to act on behalf of the Offeror, who will be available to respond to questions or requests for additional information;
- 3.) Identification of any affiliation or other relationship between any of the members of the Offeror and any development company, parent company, or subsidiary;
- 4.) Identification of any personal or professional relationship among or between any members of the Offeror and any person working for, appointed to a position in, or elected to an office of the District of Columbia Government or any entity for which there may be a conflict of interest or the appearance of a conflict. The District, in its sole discretion, reserves the right to determine a conflict of interest or the appearance thereof; and
- 5.) Satisfactory evidence that all tax liabilities and other governmental impositions are current (e.g. certificates of good standing) and that there is no on-going litigation in which the District is a party that relates to any entity or individual participating as the Offeror or to any other entity or individual having a controlling interest in the entity (or entities) that comprise the Offeror (or, if such litigation exists, the name and civil or criminal action number of such litigation and a description of the subject matter of such litigation).

B. Qualifications and Experience

- 1.) If the Offeror is not an individual doing business under his or her own name, a description of the status of his or her organization (whether a corporation, a non-profit or charitable institution, a partnership, a limited liability corporation, a business association, or a joint venture) indicating under which laws it is organized and operating, and a brief history of the organization and its principals (for any entity required to file reports in the jurisdiction of its formation, include a certificate of good standing from such jurisdiction);
- 2.) The Offeror and any of the principals, partners, or joint-venture partners who are part of the Offer must be eligible to transact business with the District of Columbia and in the District of Columbia. A copy of any written agreement/document creating any entity in response to this solicitation must be provided with the Responsive Offer at the time of the Offeror's delivery of the Responsive Offer;
- 3.) The individual who will be, or whose organization will be, the managing principal or partner of the Offeror;

- 4.) The nature and share of each participant's financial investment in the project or the proposing entity and the role of each;
- 5.) Relevant projects with which the Offeror has had primary involvement, including illustrative material of projects that demonstrate the Offeror's or its members' respective abilities, the name and address for each project identified, the name and telephone number of persons familiar with the development who will respond to any inquiries from the District, and the managing partner or design architect role in each project;
- 6.) References for the Offeror (and its members), including names, addresses and telephone numbers, and a letter authorizing each reference to respond to inquiries regarding the design, financing and development of prior projects; and
- 7.) A list of the professionals the Offeror will be employing for this project. For each professional firm, there should be a description of the staff capabilities, the resumes of all senior-level staff who will be working on this project, and information on their particular role on this project and their past experiences that are directly relevant to this project.
- 8.) Offeror may submit additional material that it or its members believe will assist the District in evaluating the capabilities of the Offeror, the design architect, and any other professional who will be participating in the development. The District shall request additional information from the authorized representatives, if deemed necessary, to facilitate the consideration of the Offeror's submissions.

C. Financial Feasibility

- 1.) Development budget and schedule, including projected construction/rehabilitation/remediation costs as well as a reasonable estimate and articulation of projected soft costs such as architectural fees, engineering fees, marketing costs, financing fees, etc. The schedule should include realistic benchmarks for phases of design completion and phases of construction completion;
- 2.) A proposed financing plan, including a comprehensive listing of all projected sources and uses of project funding and a description of the expected equity requirements and sources, and anticipated sources of construction and permanent financing. Offeror should provide sufficient detail for the District to determine the feasibility of the proposed financing plan, including, but not limited to:

- a.) A statement of the proposed annual ground rent or purchase price;
 - b.) A statement of public subsidy (local or Federal), if any, required to make the project financially feasible; and
 - c.) The extent of any private contributions or grants that have been obtained or will be required to complete or operate the project;
- 3.) Projected annual cash flow statement for the project, detailed to include estimated income and expenses, for a minimum of ten (10) years; and
- 4.) Satisfactory written evidence of the Offeror's ability to secure financing for the project (eg. conditional commitment letters from a financial institution.)
- 5) Minority and LSDBE Participation
 - (a.) List all LSDBE individuals certified by the Local Business Opportunity Commission that are members of the Offeror, including their percentage of ownership interest, if applicable, and whether each is a District resident.
 - (b.) Provide a narrative description of the efforts that will be made to provide LSDBE contracting opportunities related to the redevelopment and reuse of the Property.
 - (c.) Provide reasonable projections of the permanent and temporary jobs that will be created for District residents (especially residents from LeDroit Park and Cardozo/Shaw) during the redevelopment and reuse of the Property and what specific efforts will be made to recruit District residents for these jobs.

D. Program of Uses and Public Benefits

- 1.) Provide a detailed description of the proposed mix of uses and/or users (if known) for the Property, once it is redeveloped. The square-foot area intended for each use should be indicated. The extent to which any of the proposed uses require zoning relief or other approvals should be indicated, as well.
- 2.) Describe any proposed project or neighborhood-related amenities that will be provided on-site.

E. Adaptive Reuse / Design Concept

Drawings are required in sufficient detail to represent the design concept and allow the District to evaluate the design quality, compatibility with the nearby

buildings, and the viability of the renovation plan proposed for the building itself. These submissions should include:

- 1.) Concept plans and design drawings;
- 2.) Discussion of the District's Historic Preservation Standards; and
- 3.) Description of the extent to which relief/exemption from zoning, building, or other code requirements may be necessary.

F. Organizational Documents

- a. Provide executed organizational documents (e.g., corporate charter, partnership agreement, etc.) of the Offeror (if any).

VIII. Community Involvement

Each Offeror is encouraged to engage community members from LeDroit Park, Cardozo/Shaw, and elsewhere in developing his, her or its offer. Offerors are also encouraged to meet with the Shaw Main Street, MidCity Business Association, Advisory Neighborhood Commissions 1B and 2C, Shaw Heritage Trust, East Central Civic Association, Cultural Tourism DC, LeDroit Park Civic Association, Cardozo Shaw Neighborhood Association, and other relevant community organizations.

Further, each Offeror is encouraged to meet with representatives of the agencies who will be involved in the project approval, including but not limited to the Office of Planning (Development Review and Historic Preservation Divisions), the DC Commission on the Arts and Humanities, the Department of Consumer and Regulatory Affairs (Building and Land Regulation Administration), the District Department of Transportation, the Office of Local Business Development, the Department of Employment Services, etc.

IX. Offers and Deposit

Offerors are required to submit Responsive Offers, an original and ten (10) copies, **no later than 5:00 p.m. on Wednesday, April 10, 2006** to:

Office of the Deputy Mayor for Planning and Economic Development
Attn: Derrick Lanardo Woody, Coordinator – Great Streets Initiative
1350 Pennsylvania Avenue NW
Suite 317
Washington, D.C. 20004

A Thirty Thousand Dollar (\$30,000) deposit is required with each submission, and shall be refunded to each Offeror on or about the date that the District has selected an Offeror for negotiations and negotiated a disposition agreement (or if no Offeror is selected for negotiations, then at the time any such determination is made). The deposit

shall be in the form of a letter of credit substantially in the form attached hereto as Exhibit A.

Offerors are invited to submit more than one development scenario and/or pricing proposal. Multiple development programs and financial offers by the same Offeror will be considered a single offer (and only one deposit is required).

X. Process

The selection process will follow the timetable below, subject to extension due to administrative delays and other factors outside of the control of the ODMPED. The ODMPED will endeavor to follow the timetable set forth here; however, **the listed timetable is a guideline only and subject to change, in the sole discretion of ODMPED and without prior notice.** All days are calendar days unless otherwise noted:

Issuance of Solicitation: February 13, 2006

Offeror Conference/Property Tours: Ten days following issuance of Solicitation: February 23, 2006

Conference

1:30 pm

Office of the Deputy Mayor for Planning and Economic Development

Attn: Derrick Lanardo Woody

Coordinator – Great Street Initiative

1350 Pennsylvania Avenue

Suite 317

Washington, D.C. 20004

Tour

3:00 pm

On-Site

Further tours scheduled as needed

Offers Due to District: Two months following issuance of Solicitation. April 13, 2006
No later than 5 p.m. No late offers will be accepted.

Determination of Responsiveness
To Minimum Criteria:

Fifteen days after offers due. April 28, 2006

Final Responses Due (If Requested):	One month after offers due. May 13, 2006
Presentations (If Requested):	Within one month of Determination of Responsiveness
Offeror Final Selection by ODMPED:	Two months after offers due. June 13, 2006

The Office of the Deputy Mayor for Planning and Economic Development will determine in its sole discretion whether each submitted offer is a Responsive Offer. The Offeror, for any proposal that is considered to be non-responsive, will be so notified in writing and will have an opportunity to clarify any area of the offer that is found to be non-responsive within 10 business days after the date of such notice from the District. If a given offer is still found to be non-responsive in one or more areas, the offer will be rejected. The decision of the District in this regard is final and will be explained to the Offeror upon request. Notwithstanding the foregoing, the District may reject any offer in its sole and absolute discretion when assessing the best overall transaction for the District.

It is currently contemplated that ODMPED will form a committee to consider the Responsive Offers. The committee's size and composition will be in the sole discretion of the Deputy Mayor for Planning and Economic Development.

If such a committee is formed, then the committee will make a written recommendation to the Deputy Mayor for Planning and Economic Development, and the Deputy Mayor may either direct his staff to proceed with negotiations that will establish mutually agreed upon terms for a disposition of the Property or may reject the offer. In the absence of a committee, one or more individuals will consider the Responsive Offers and shall make a recommendation to the Deputy Mayor for Planning and Economic Development, and the Deputy Mayor may either direct his staff to proceed with negotiations that will establish mutually agreed upon terms for a disposition of the Property or may reject the offer.

If one or more Offerors is chosen for commencement of negotiations, the selected Offeror (or Offerors) will proceed to negotiate a disposition agreement (by long-term lease) that requires redevelopment of the Property consistent with final terms agreed upon by the District and Offeror. If the District and the selected Offeror are unable to agree on the final terms of a disposition agreement within ninety (90) days, the District, in its absolute and sole discretion, may terminate negotiations and select a different Offeror from among the Offerors that submitted offers, re-issue this Solicitation, or take such other measures as it deems reasonable, appropriate and/or necessary.

If ODMPED is able to negotiate either a term sheet or a final disposition agreement that it is willing to accept, then ODMPED will recommend such Offeror, and upon such terms as are agreeable to ODMPED, to the Mayor. If the Mayor agrees with ODMPED's recommendation, then the Mayor, in his sole and absolute discretion, may submit such terms and/or lease to the Council of the District of Columbia ("Council") for its approval and grant of authority to dispose of the Property to such Offeror on such terms. Upon

approval by Council and the Mayor (and execution of a final disposition agreement), the final negotiated offer shall be considered accepted for all purposes by the District.

THE DISTRICT OF COLUMBIA IS NOT AUTHORIZED TO DISPOSE OF THIS PROPERTY UNLESS AND UNTIL FIRST AUTHORIZED BY THE COUNCIL TO DO SO IN ACCORDANCE WITH D.C. OFFICIAL CODE § 10-801 (SUPP. 2005). AT THIS TIME, THE DISTRICT OF COLUMBIA DOES NOT HAVE SUCH AUTHORITY. AT SUCH TIME AS THE DISTRICT DOES OBTAIN AUTHORITY TO DISPOSE OF THE PROPERTY PURSUANT TO D.C. OFFICIAL CODE § 10-801 FROM THE COUNCIL, AND THE DISTRICT HAS COMPLIED WITH ALL REQUIREMENTS SET FORTH THEREIN, THE DISTRICT SHALL BE AUTHORIZED TO DISPOSE OF THE PROPERTY, AND NO OTHER AUTHORITY IS NEEDED FOR THIS DISPOSITION. NO GOODS OR SERVICES ARE BEING PROCURED THROUGH THIS SOLICITATION OR AS PART OF ANY PROPOSED DISPOSITION IN CONNECTION HEREWITH.

Notwithstanding any provision to the contrary, the District's authority to dispose of an interest in the Property shall terminate upon the expiration of the two-year period following approval of the authorizing resolution submitted by the Mayor in accordance with D.C. Official Code § 10-801(b)(6), unless such authority shall first have been extended pursuant to resolution submitted by the Mayor and approved by the Council in accordance with D.C. Official Code § 10-801(d). In accordance with D.C. Official Code § 10-801(f), the final terms and conditions for the disposition of the Property shall not become final until after notice of such terms and conditions shall have been submitted to any affected Advisory Neighborhood Commission for comment in accordance with D.C. Official Code § 1-309.10.

Exhibit A
IRREVOCABLE STANDBY LETTER OF CREDIT

ISSUER: _____ DATE OF ISSUE: _____

_____ Bank
 [address]

IRREVOCABLE STANDBY LETTER OF CREDIT NO. _____

BENEFICIARY

APPLICANT

District of Columbia, by and through Name:
 the Office of the Deputy Mayor for Planning and Economic Development
 1350 Pennsylvania Avenue, Suite 317
 Washington, D.C. 20004

AMOUNT: U.S. \$30,000

EXPIRY DATE: June 30, 2007, subject to renewal provisions herein

REFERENCE: _____

Gentlemen and Ladies:

We hereby establish our Irrevocable Standby Letter of Credit No. _____
 ("Letter of Credit") in favor of Beneficiary for the account of Applicant up to an
 aggregate amount of THIRTY THOUSAND U.S. DOLLARS (U.S. \$30,000), available
 for payment when accompanied by the following:

1. A draft at sight drawn on [Issuer], duly endorsed on its reverse thereof by a
 duly authorized representative of the Beneficiary, specifically referencing this Letter of
 Credit Number;
2. The original of this Letter of Credit; and
3. A dated statement issued on the letterhead of Beneficiary, stating: "The
 amount of this drawing is \$30,000 drawn under Irrevocable Standby Letter of Credit
 No. _____ and represents funds due and owing to the District of Columbia." Such
 statement shall be conclusive as to such matters and we will accept such statement as
 binding and correct. We shall have no right, duty, obligation or responsibility to evaluate
 the performance or non-performance of any underlying agreement between Applicant and
 Beneficiary of this credit.

This Letter of Credit shall automatically renew for one year terms upon the
 anniversary of the expiry date set forth above (the "Anniversary Date") for a period of
 five years, unless (i) earlier released by the Beneficiary or (ii) Issuer delivers written

notice to both Applicant and Beneficiary that this Letter of Credit will not be renewed on the Anniversary Date, provided that Issuer delivers such notice no later than 60 days prior to the Anniversary Date.

If a drawing is made by Beneficiary under this Letter of Credit at or prior to 1:00 p.m. (District of Columbia time) on a Business Day (defined below) and, provided that such drawing and the statement presented in connection therewith conform to the terms and conditions hereof, payment shall be made to Beneficiary in the amount specified, in immediately available funds, on the same Business Day. If a drawing is made by Beneficiary under this Letter of Credit after 1:00 p.m. (District of Columbia time) on a Business Day and, provided that such drawing and the statement presented in connection therewith conform to the terms and conditions hereof, payment shall be made to Beneficiary in the amount specified, in immediately available funds on the next Business Day. If requested by Beneficiary, payment under this Letter of Credit may be made by deposit of immediately available funds into an account designated by Beneficiary. As used herein, the term "Business Day" shall mean any day other than a Saturday, a Sunday or a day on which banking institutions in the District of Columbia are authorized or required by law to close.

Drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored if presented by the Deputy Mayor for Planning and Economic Development, or his/her chief of staff, to our Letter of Credit Department at our Corporate Office[address of Issuer], Attn: Corporate Lending Group, on or before the Expiry Date or Anniversary Date, as the case may be.

Except as otherwise expressly provided herein, this Letter of Credit is governed by the District of Columbia Uniform Commercial Code and is subject to the International Standby Practices 1998 (ISP), International Chamber of Commerce Publication No. 590. In case of conflict between the District of Columbia Uniform Commercial Code and the International Standby Practices 1998 (ISP), the District of Columbia Uniform Commercial Code shall control.

This Letter of Credit sets forth in full the terms of our undertaking. This undertaking shall not in any way be modified, amended, amplified or incorporated by reference to any document, contract, or other agreement, without the express written authorization of Issuer, Beneficiary and Applicant.

Should you have occasion to communicate with us regarding this Letter of Credit, kindly direct your communication to the attention of our Letter of Credit Department, Corporate Lending Group, making specific reference to our Letter of Credit No. _____.

[ISSUER]

By: _____

Name
Title

State of _____)
County of _____)

The foregoing instrument was acknowledged before me in the jurisdiction
aforesaid on this ____ day of _____, 2006, by _____, duly authorized
representative of _____.

Notary Public